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# THE BUDGET SPEECH.

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*By Mr. Chamberlain*

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At ten o'clock  
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# QUEBEC LEGISLATURE.

FOURTH SESSION—FOURTH PARLIAMENT.

## THE BUDGET.

HOUSE OF ASSEMBLY.

QUEBEC, May 30, 1881.

At ten o'clock the Hon. Mr. ROBERTSON rose to deliver his Budget. He said :

MR. SPEAKER,—In making the usual motion on occasions like the present that you do now leave the chair, and that the House form itself into committee of supply, I hope I may rely on that consideration and kindness from honorable members which have always been accorded to others, and to myself in similar circumstances. I will endeavor to be brief in my remarks, and shall confine myself strictly to explanations respecting the financial position of the province, which I know is considered one of the most important questions before the House and the country at the present time.

In former years the financial *exposé* of the Treasurer consisted merely of statements of our ordinary receipts and expenditure, the one from our usual sources of revenue, the other for the usual purposes of public service. *Then* there was no particular difficulty experienced, as our receipts were in excess of our expenditure, and the large indebtedness of the province for public works intended to develop our resources, to open communication between the cities of our province, and between the country parts and our centres of commerce, had not been incurred. *Then* the question whether it was good policy to contract obligations for railway purposes was discussed, and the Legislature and our people were at first rather unwilling to contract obligations likely to embarrass our financial position, even for railway purposes. *Then* the Government of the day, as it was their duty to do, took the lead in placing before the House and the people the necessity—if we would keep pace with our sister provinces—to bestir ourselves, and take steps to open up our country, or be content to remain in an inferior position to our sister provinces in wealth and influence, and in general prosperity.

The Legislature, after mature deliberation, assumed large liabilities for railway construction, quite as much as we could conveniently carry, and these have increased from year to year. Now, however, the pressure is not by the Government to induce contributions for railway purposes, but the Government have to resist pressure from members of this House and from the general public, to still further increase our indebtedness in the promotion of railway enterprise to an amount beyond our ability to pay, unless additional burdens are placed upon the people to an extent which would seriously interfere with their prosperity. This pressure, in the interest of some of our people, the Government must resist, even at the risk of offending some of their own friends, who, it is feared, sometimes look more to personal popularity and to local improvements in their own section of country than to the general welfare and credit of the province. (Hear, hear.)

The public accounts for the fiscal year ending the 30th June last, have been submitted to the House, the details of which hon. members have had an opportunity of becoming acquainted with. The estimated revenue for the past year exceeded the actual receipts by some \$700,000, and the actual disbursements on the ordinary general business of the province, exclusive of railways, fell short of the appropriation made by the Legislature by some \$30,000, notwithstanding there were special warrants issued for deficiency of appropriations to the amount of \$127,071.43, of which was spent and included in the payments of the year \$124,489.10, as appears in the public accounts.

A glance at the objects for which these special warrants were issued will show that they were absolutely necessary, and several were issued in payment of debts previously contracted, which were not put into the appropriations of the year, as they should have been. It is not for me to say whether, if the former Government had remained in office, the actual receipts would have been larger; but I think I may say the payments could not have been much diminished, and I content myself with giving the facts as they exist. (Hear, hear.). I may say further that my best efforts were directed to obtain as much revenue as I could and to dispose of it as prudently as possible.

Of course, in estimating the supposed revenue for any year, all the Treasurer can do is to obtain information from the different departments, and, judging by the previous year's receipts, come as near to the actual revenue as he can. The same is true as respects the payments to be made, and it frequently happens that some of the services require more money than anticipated. But if, on the whole, the year's business comes pretty near to what was estimated, it is about as well as anyone can do. (Hear, hear.)

Comparisons are frequently made of the expense of carrying on the Government of late years, with what it was in the first years of Confederation.

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tion. This is hardly fair. As our population increases, the requirements of the public service increase. We require more legislation, more employees in the public departments; our educational demands are daily increasing; administration of justice is more expensive; our lunatics, I am sorry to say, are increasing in numbers yearly; in fact, under our system of contributing so largely to these services, it is not to be wondered at if the demands on the public treasury increase year by year, and require more funds than formerly to meet them.

Two members of the Ontario Government visited Quebec last autumn with the view of consultation as to the best means of settling the accounts between the two provinces and between these and the Dominion. These gentlemen thought the Dominion Government put forward claims against the provinces which were not well founded, and we argued on a line of conduct to be adopted in settling with the Dominion, but the pressure of business on the Ontario Government preparatory to their session of the Legislature; the session held there, and the long continued session of the Dominion Parliament, have prevented the final adjustment of these accounts. Considerable progress has, however, been made in checking and comparing the accounts furnished with our accounts, and it is hoped that during the summer we may be able to finally close up the open accounts between the two provinces and also the Dominion account.

I do not consider it necessary to go into details of the receipts and expenditures of the past year. The public accounts contain all necessary details, and explanations can be given in the committee on public accounts if required.

I intended presenting a summary of our receipts and expenditures for the past few years showing the state of the treasury from time to time, at the close of each fixed year, but I will not weary the House at present with the statements. I shall merely give a short synopsis of

#### LAST YEAR'S BUSINESS.

The gross receipts per Public Accounts was .....	\$3,546,937 44
From which deduct temporary loans .....	\$1,050,000 00
Receipts from Beauport Asylum .....	12,500 00
Sale of some material from Government Railway .....	80 25
And the amount received from the Dominion on gen'l acct. ....	125,000 00
Making .....	\$1,187,580 25
Leaving as ordinary receipts .....	\$2,359,077 19
The gross expenditure, as per Public Accounts was .....	3,979,309 71
From which deduct repayment of temporary loans .....	\$500,000 00
And paid on account of construction of railway and subsidies to other railways .....	501,490 39
And the amount in Q. M. O. & O. expenses account for construction purposes .....	142,357 36
Amounting to .....	1,143,847 75
Leaving ordinary expenditure .....	\$2,835,461 96
And deducting ordinary revenue from ordinary expenditure, leaves an apparent deficit of .....	\$476,384 77



If, however, we take the actual cash receipts we should deduct the amount received from Beauport Asylum and from the Dominion Government on general accounts, which would reduce the actual deficit to \$338,884.77. There are also certain extraordinary expenditures, — which should be deducted if we would arrive at the ordinary normal expenditure, such as the amounts paid on construction of the public buildings, \$132,142.65, and for the Jacques Cartier Normal School, which is merely a loan of \$20,530.87. These would reduce the deficit to \$186,211.25, to which, however, might be added the amount of sinking fund upon our loans not paid last year of \$109,956.66, making the deficiency upon actual receipts and expenditure, deducting what should be charged to capital account, \$296,167.91, if sinking fund had been paid. The statement shows some gain on the past five years, but it is not quite satisfactory, and will not be till we can show a surplus each year of receipts over expenditure for the ordinary purposes of carrying on the public service. (Hear, hear.) It should be borne in mind, however, that it is not owing to extravagant expenditure upon the various branches in the public service which caused the annual deficits observable in the public accounts, so much as the decrease of our revenue, or rather the application of our revenue from the Dominion Government towards payment of interest on our loan for railway purposes, instead of payments for other purposes. I am convinced that when the expenditure on the Government railway returns anything like what it should, that is four or five per cent annually upon its cost, there need be no apprehension of our having to resort to temporary loans or direct taxation to supply the needs of our public service, if anything like prudence is exercised in our expenditure.

When it is considered that our subsidy from the Dominion Government is required to pay interest on our loans for railways, it is not to be wondered at that we should experience a difficulty in making up from other sources of revenue sufficient to carry on the public service as it should be. There is one consolation we have, and that, is although we have some difficulty in making the two ends meet, in consequence of our railway expenditure, there is no doubt but that in a few years we will get over our temporary embarrassment, and be able not only to meet every demand against us, but have the railways to show the enterprise and intelligence of the Quebec Legislature. (Cheers.) In the meantime we must not be discouraged or talk of increased taxation to any great amount. With patience and perseverance, with prudence and economy, and by close attention to the collection of our assets, I believe the province will soon recover its position of financial prosperity, and prove equal to any of our sister provinces in ability to meet our engagements, and prove ourselves their equal in advancing the prosperity of our province by contributions, by-and-bye, more

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largely in aid of our colonization roads and in aid of agriculture, and let us hope, in aid of further railway extension.

#### STATEMENT OF THE CURRENT YEAR.

It is impossible to go into details of the receipts and expenditure of the current year so as to make a comparative statement of the year's business, because the principal amounts paid over under the Subsidy Bill are paid out in the early part of the year, and there are large sums which come in during the last two months of the year as revenue, from licenses, Crown lands and other sources. The statement presented to the House of the receipts and disbursements of the ten months of the current year does not, therefore, give a complete statement of how the accounts will stand on the 30th June next, but will suffice for the purpose intended. Hon. members should not consider that because a broken period of the year shows a certain state of the accounts, that, necessarily, such a statement is an index of the whole year's transactions.

I now propose, Mr. Speaker, to bring before the House the estimated revenue for the next fiscal year and the expenditure, as contained in the estimates submitted.

#### ESTIMATES FOR 1881-82.

##### *Estimated revenue for the fiscal year beginning 1st July next.*

In presenting the probable receipts of the next fiscal year, as I before remarked, I have been guided by the reports from the different departments, taking into account previous year's receipts, making such alterations as in my judgment are warranted, by the probable increase or diminution, as the case may be, of the receipts, so as to approximate, as near as possible, to what may be received. Of course, our sources of revenue are not very large or varied, and while some of our receipts may be larger than estimated, others may be less, but if, in the aggregate my estimate is correct, it will answer the purpose of informing the House what may be expected in the coming year.

The first item of importance is our subsidy from the Dominion, and certain interests on trust funds, \$1,014,712. The Confederation Act fixed the subsidy to be paid the several provinces in the Dominion from Dominion resources. In some cases the Parliament at Ottawa has increased the payments made to some of the Provinces, as their necessities required, and the justice of the case warranted. I am inclined to think other changes will be required before long as to Dominion subsidy, as it is well known several of the Provinces are not able, with their present revenue, to carry on public affairs as they should be carried on. (Hear, hear.)



## CROWN LANDS REVENUE.

The next item of revenue arises from Crown Lands. The Hon. Commissioner has given me his estimate of receipts for the next year. I have adopted his statement, though I am inclined to think he might with perfect safety have increased it. The amount is \$623,383.00.

I am sure everyone rejoices at the increased activity in the lumber trade, and that prices of lumber have gone up to somewhat near the true value. The addition made by the Government to dues on lumber cut in the forests will not be felt during the current year as much as it will in the future years, as the dues are usually paid in October for the previous winter's cut of timber, but our receipts for the current year will exceed last year's estimate by a considerable amount. Already \$487,788.67 have been received from the Crown Lands Department up to May 1st instant. (Hear, hear.) The sale of Crown land limits in October last proved very successful. The prices realized were good, the competition brisk between the lumbermen for possession of the limits, and I am sure all will wish them success in their business—one of the most important in the Province. It is only justice to my colleague, the Commissioner of Crown Lands, to say that he was indefatigable in his efforts to give every information to intending purchasers, and the success of the sale entitles him to great credit for his efforts. Upon representation from the parties engaged in lumber operations that the additions proposed to the timber dues would seriously affect the lumber trade, the Government, on report of the Commissioner of Crown Lands, after repeated interviews with the parties interested, somewhat reduced the amount to be levied, and I am happy to say that all parties are pretty well satisfied with the increase of dues as it now stands. Doubtless other modifications may be made as experience may suggest from time to time.

## OTHER REVENUES.

The next item of revenue is law and registration stamps. This I have placed at the sum of \$200,000. Last year I estimated for this source \$230,000. I am afraid my estimate will not be realized, and so I have not calculated on so much next year by some \$30,000. The receipts from Cadastral service have been less than I anticipated, owing to the proclamation bringing the law into force not being issued, and it may be fully expected that the amount I have placed as revenue from this source for next year will be received.

The next item is for licenses of various kinds, \$200,000. The amount received from hotel and shop licenses is not so large as in some former years. The number of law suits which have been instituted during the present year, caused by defects and omissions of the law as it formerly stood, has been exceedingly large, writs of mandamus, of prohi-

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bition, of actions for damages, etc., have been issued, and if it were proper for me, a layman, to express an opinion on legal questions or on the conduct of our tribunals, I would say that some of our judges seem disposed to find flaws in Quebec Legislation, are afraid we go beyond our jurisdiction in legislating on the License question and thus trench on Dominion power, and do not give a fair interpretation of our powers under the Confederation Act, and our exercise of these powers in the legislation passed by this House.

While on this subject I may remark further that the efforts making in some of our cities and towns to diminish the number of licenses for the sale of intoxicating liquors will doubtless affect our revenue somewhat. This I am not sorry to see as, if the sale of liquors could really be diminished, doubtless advantages would arise to fully compensate for loss of revenue. The difficulty, however, is that where licenses are too restricted, or where the Dunkin Act is in force, parties will sell liquors without license, and do as much, perhaps more, injury to the community than if proper parties sold under license. (Hear, hear.) The temperance people do not, I am sorry to say, take effective measures to carry their own by-laws into effect, and thus put a stop to the illegal traffic in intoxicating liquors. I have examined the form of petition to this House asking for certain changes to be made in the license laws, and cannot help saying that they are not practical for the most part. They ask for some changes clearly beyond the power of the Legislature to grant, and for others which, if placed on the statute book, could never be carried into effect, and would do more harm than good. I have seen criticisms in some of the newspapers on my not being willing to introduce amendments, or what they consider amendments, to the license laws this session. These papers seem to think it one of the simplest things imaginable to pass a License Act; that it can be taken up at any time and put through without considering what effect an alteration might have on other parts of the law, or considering whether we have the power to alter in the sense they desire. There is not a question which comes before the Legislature involving more points difficult to put in such a shape as will allow of their being carried out in practice, than the license law. We have hon. members wishing the tariff for licenses reduced as low as possible, backed up by all who wish to obtain licenses in their respective localities; we have the extreme temperance community wishing to have the sale of liquors absolutely prohibited, or surrounded by restrictions and conditions which practically amount to prohibition, and which our courts would immediately decide to be beyond our powers. There is the desire to limit the traffic within proper bounds, and at the same time to obtain such revenue as legitimately should be received, for this also comes into the question, although many people seem to overlook it.

If opportunity is given, I intend, when our present law is consolidated to take the question up, and on a future occasion will introduce a measure which will not probably please the extreme section of the temperance people, or those who would like to see free trade in the liquor business, but which will, I hope, please the majority of our people, by restricting the traffic as far as public sentiment will assist in carrying it out, and will, at the same time, prove the means of limiting the sale of liquors as far as possible, materially reduce the quantity sold and thus prove of immense advantages to the entire community.

Next, we have the Law Fee Fund, exclusive of stamps and percentage on fees of public officers, \$20,000.

The building and Jury Fund, I have estimated at \$40,000. This is an item, which if properly collected, should yield more than estimated. Hon. member will know the difficulty of making the municipalities pay even this small share towards the administration of justice. In other provinces the people contribute much more largely for this purpose than is done in our province, and the sooner some change is made in the law in this regard the better for all concerned. The amount paid by the other provinces in aid of the carrying out of the criminal laws very much exceeds what is paid here. In the other provinces the cost of the arrest, conviction and maintenance of prisoners in the common jail, the expense of building and maintaining Court Houses and jails, the fees of officers in the arrest, trial and conviction of criminals are mostly paid by local assessment of property by the municipal councils, which relieves the Public Treasury of a large proportion of such expenses. In this province, with the exception of our building and jury fund, which too frequently is evaded and collected only by compulsion, the provincial treasury pays the whole of the criminal justice in the respects alluded to. These facts are overlooked in comparing our administration of justice with the other provinces, looking merely at the respective amounts which appear in provincial public accounts.

I now come to the administration of Justice:—

Revenue and including House of Correction, fines, &c.....	\$24,000
Montreal Court House.....	8,000
Legislation—Sales of statutes and fees on private bills.....	5,600
Official Gazette—Revenue.....	29,000

(I understand there are considerable arrears due for advertising. Means will be taken to collect them and prevent arrears in future.)

Interest on judicial deposits and loans..... \$14,000

Then sundry small items needing no comment, such as:—

Quebec fire loan.....	\$1,000
Revenue—Registration service.....	1,000
Casual revenue.....	2,000
Public Works.....	1,000
Asylums.....	500

In all.....	\$5,500
Repayment of part loan to St. Jean de Dieu Asylum—due next year.....	\$6,000
Repayment of part loan to Beauport Asylum—due next year.....	12,500

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Loan Fund

With respect to the Judicial deposits, there were about \$56,000 transferred from surplus interest account to the Consolidated Revenue Fund under the law passed last session. I have placed only the amount likely to be received with interest on some small loans made by the Government to the lunatic asylum proprietors, Dorchester Bridge, etc. With respect to the amount due by St. Jean de Dieu Asylum, another instalment falls due next year, and will, I have no doubt, be paid. This part of the loan upon the Beauport Asylum should have been paid this year, but owing to the proprietors having large sums of money to pay other parties during this year, I consented to postpone this year's instalment till the next year.

#### THE MUNICIPAL LOAN FUND.

Then we have the Municipal Loan Fund which I have estimated at \$250,000. The act of last session has only been put into operation in so far as putting municipalities in communication with the report of the commissioners in a few cases, but the most of them have been corresponded with. The terms of the law are so manifestly in favour of the indebted municipality that I feel sure, when the matter is brought officially before them, the Municipal Councils will be ready to avail themselves of the exceedingly favourable conditions contained in the law of last session. Some of the parties representing the municipalities indebted to the Municipal Loan Fund are quite willing to pay the reduced amount, provided the same rule is extended to the other municipalities indebted. On this point I have to repeat what was said at the last session of the House, that the Government intend to exact full payment from all municipalities able to pay, and where, in some special cases, owing to the municipalities being unable to pay their indebtedness being too large, and for other exceptional reasons, these will be laid before the House from time to time for consideration.

I am quite aware that some will say that the amount received from collection of the Municipal Loan Fund debt should not be applied to the expenditure of any one year, and that the interest only should be calculated as proper yearly revenue. If we had a surplus of receipts over expenditure, this reasoning might be sound and the interest only used year by year, but I see no more impropriety in using this money than in using the money received from any other source. If the Government sell any Crown lands, the proceeds are used as required year by year; and I cannot see why whatever amount may be received from this fund should not be employed to cover deficiencies from other quarters or to pay for increased expenditure on any railway built for the public good. Besides, after repeated deficits for several years upon which interest had to be paid, it would be poor policy to invest what we may receive from the Municipal Loan Fund at a lower rate of interest than we would have to pay for any

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deficiency which might occur in our receipts falling off from any cause. (Hear, hear.)

The best use we can make of the Municipal Loan Fund receipts is to reduce our deficits which have occurred from year to year for several years past. Several of the municipalities have offered to pay certain sums somewhat less than they owe under the Act of last session, but I have uniformly refused to accept them unless on account of what is due, and in no case as yet less than what the law prescribes, has been accepted as full payment. I have no doubt that the amount estimated for this year and for next year will be realized. If not, the law as it stood before the Act of last session must be put in force, as that Act by no means reduces the original amount due except in those cases where it is complied with. The frank, patriotic way this question was discussed last session should convince every municipality that prompt payment can alone prevent the full collection, and that the Legislature will not make any further concession to those able to pay.

#### THE PROVINCIAL RAILWAY.

I now come to the estimated receipts of the Government railway, and I confess that the receipts during this year, although they show a growing increase, may not reach what I expected. It is generally acknowledged that a railway owned and managed by the Government cannot be carried on so economically as it could by private parties. The reasons which prevent this being done are patent to everyone who knows anything about railway management. The pressure brought to bear by parties who wish some of their friends or relations placed in situations, or who fancy they are the owners of the road as it belongs to the province, and that, therefore, they are entitled to special privileges, is well-known to every one, and parties are not very bashful at times in urging their claims for consideration. While, therefore, acknowledging the difficulty, I do not say the impossibility, of the Government running our railway as economically as if leased or sold to a private company for the time being, and while feeling that the province needs all the revenue from the railway, for payment of interest on the cost of its construction, which can possibly be derived from its working, there are considerations which may render it good policy for the Government to retain the road in its own hands, at least for a time.

On the one hand it is urged that a private company could pay a larger sum annually for the use of the railway, to the Government, and make money for the company besides, than the Government can realize by retaining the road and running it; that traffic could be better secured by a private company, and more economical management exercised than by the Government; that the Province, taking into account the large expen-

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diture made for railway purposes has placed upon the Consolidated Revenue Fund large sums of money payable annually for interest and upon the sinking fund account, even more than the revenue of the Province can well carry; that these large payments have so far affected our financial position that annual deficits cannot be avoided. Our expenditure for interest being so large prevents our providing for the general purposes of the Government without having recourse to temporary loans from time to time involving of course, interest upon the same from year to year. It is further urged by those who advocate the lease or sale of our railway that the difference between the net amount that the province would receive for the running of the road by the Government, and what might be derived from a lease of the railway, must come out of the pockets of the people directly or indirectly, and, therefore, it is for the interest of the Province rather to lease the railway than to keep it, as the people, if they insist on the Government retaining the road in their hands, must be ready to cover the deficiency alluded to in some other way. There is great force in such arguments all must admit.

On the other side it is argued that the Government Railway has not been in operation long enough to know what its real value is—whether to lease or to sell; that the traffic already exceeds by far what was anticipated, and is daily increasing in magnitude; that as the connections from the West becomes more established with the western end of the railway, the traffic must unquestionably largely increase, and to such an extent that it is impossible now to foresee what volume it will assume in a few years, and, therefore, the Government should retain the railway for a time till more correct opinion can be formed as to the terms to be demanded for either its disposal or lease.

It is further urged that to sell the railway for cash would be bad, because, if we had the cash in hand, we could not reduce our debt, as the bonds of the province are now much above par, and would increase in price if it were known that the Government were desirous of repurchasing their own debentures, and that the price of the railway would be frittered away in aid of other enterprises, as no government could resist the pressure of parties who would unite in claiming what they considered their share of the money on hand for their local enterprises. And further, that if a lease was made now the true value of such lease cannot be determined, and besides, it would be almost impossible to prevent depreciation of rolling stock and in the maintenance of the road-bed and buildings. That reclamations of all sorts would be made upon the Government, under representations of loss in working the road and defects in its construction, and that a company might run down the value of the road to such an extent, fail in payment of rent under one pretence or another, that the Government



would have to resume possession of the road in such a depreciated condition that even what had been paid for rent would be required to place it in as good a state as it now is. (Hear, hear.)

These are some of the arguments used on the one side and on the other, and more or less truth may be found on either side of the question. Our future railway arrangements are entitled to the most serious consideration of this House, and should be discussed quite aside from party lines or party feelings, and in the bearing alone of the good of the Province, and with a view of deciding so as to further the welfare of the country to the fullest extent. (Hear, hear). I need not say any more on the subject now. It has already been partially discussed, and will be again during the session. All I need add is that the Government have not received any offer for the sale or lease of the railway which we felt warranted in advising the House to accept. At the same time the difficulty of the position with respect to our meeting so large a sum annually for interest, presses hard on the executive in view of some immediate relief which might be found if our railway was giving us more revenue than at present.

The income from the Railway I have placed as last year at \$250,000. There is also coming from the Government of Ontario \$35,000 from interest on funds in their hands which may be safely calculated upon, I think, for part of next year's revenue. These sums united amount to \$2,745,095, which as near as I can estimate may be calculated upon as forming our revenue next year. There is also the amount of the loan made towards the land and building of the Jacques Cartier Normal School of Montreal, which will be realized if the property formerly occupied as a normal school is sold during the year. The debt due on this account amounts to \$138,348, besides the interest thereon. This property will yield a larger sum than the advances made upon it. The only question is to decide whether the property should be sold this year, or wait another year for a higher price. Property in that part of the city is increasing in value consequent on the railway terminus being at the Quebec Gate Barracks.

#### SUPPLEMENTARY ESTIMATES.

Before going on to next year's operations, I may allude briefly to the supplementary estimates for the current year, for which authorization from the House is asked. These consist of certain items, either unexpected when appropriations were asked, or when the appropriations were insufficient for the purposes intended, the principal items being for colonization purposes and for public works and buildings. The sums asked for will obviate the issue of special warrants, and of course will have to be paid during the current year, in addition to the appropriations contained in the statutes. I regret the amount is so large, but the details as given the

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House for adoption will be explained, if necessary, in committee. The total amount is \$81,887.68.

#### EXPENDITURE FOR 1881-2.

I now come to the expenditure for the year commencing the first day of July, 1881. The first item which appears in the estimated expenditure does not require to be voted annually, as it has already been voted by statute. That is the interest, sinking fund, and charges of management upon our public debt, in the whole amounting to the sum of \$384,680. This sum includes interest, sinking fund, and charges of management on the whole of the provincial debt. I think the House will agree with me that it is quite as large as we can afford to meet. It cannot be materially reduced until our sinking fund increases from year to year.

The next item is legislation. First, the Legislative Council:—Indemnity to members and mileage already voted, \$12,665; for salaries and contingent expenses, \$16,723; being \$5,612 less than last year's estimates, or a total for the Legislative Council of \$29,388. Legislative Assembly:—Speakers salary, indemnity to members and mileage already voted, \$36,500; salaries and contingent expenses, including printing, binding, etc., \$51,280; total, \$87,780, or \$7,220 less than estimated for last year.

I should remark here that the full effect of the law passed last session respecting the employees of the House will not be felt this year, nor even next year, as it will be there after, because several of the employees availed themselves of that provision of the law allowing them 18 months' salary in full if they retired from the public service; and in consequence, the full salaries for the current year, and for half of the next fiscal year, will be paid said employees, as if they were still on the staff. Another reduction may be looked for hereafter, that is, quite a number of the employees who had heretofore been permanent, on being made sessional, receive half their former salaries for the session, and as these retire from time to time, such as will occupy these positions will not receive so much remuneration as is given to these sessional employees, who had been made such from the former permanent staff. This will, in future, materially reduce the expenses of both the Council and Assembly.

In this connection there appears also:—Grant for the Library, the usual amount, \$3,000; expenses of elections, \$43,000; this latter amount is placed at \$40,000 more than last year, as the general elections under our constitution must take place during the next fiscal year, and I hope the cost will not exceed the sum mentioned. I can only say that it is exceedingly probable that considerable deductions will, as usual, require to be made in the accounts, as presented by the returning officers and their deputies.

Clerk of the Crown in Chancery, salary, covering ordinary contingencies \$800; printing, binding and distributing the laws, \$1,800. This is \$1,500 additional to last year's estimate, based upon the present year's expenditure. Law Clerk, salaries of office, \$3,100; contingencies, comprising sessional clerk, \$500. These sums united make up \$172,363. That is on the general expenditure for legislation \$10,732 less than last year, the increase being made up in expenses of elections, \$40,000.

The next item of expenditure is civil government.

Salaries of public departments.....	\$26,585
Contingencies of do.....	42,640

\$169,225

In these items reference is made to the small pamphlet distributed to members, in which the salaries of the various departments are put down with the number of employees. The salaries in part are already provided for by statute, but are put down so that the whole cost may be seen. There have been some few additions made in the staff, and under the law some addition to the number of employees by the transferring of temporary employees to the permanent staff. In the several departments the present number of clerks is said to be required. With respect to the contingencies of the departments, about which there was considerable discussion last year, I may say that the vote of last year was not sufficient owing to payment of some arrears of former years, and the necessity which exists at times for employment of extra clerks. I have had prepared a statement of the amounts paid for contingencies for several years past which will show what has been expended hitherto:—For the year ending 30th June, 1878, \$45,077.33 was paid; 30th June, 1879, \$42,5162.3; 30th June, 1880, \$43,052.23; and for the current year \$45,300. This is to be accounted for, as I have said, on account of extra clerks, extra printing for the departments. I prefer stating frankly to the House the facts as they are, rather than present a smaller sum which would necessitate special warrants to meet the expenditure. This should be avoided as much as possible.

The next item is the administration of justice. It is needless to repeat what has been so frequently said on like occasions on this subject. The people of this province contribute less to the administration of justice from local sources than in any other province of the Dominion. Consequently, a larger proportion falls on the public treasury than should fall on it, and I am sure that if the municipalities in each district by itself were obliged to contribute more for the expenses connected with the arrest, conviction and maintenance of criminals, the cost would not only be less than it is now, but would be less on the province as a whole, for the expenditure could be more closely watched by the local authorities than it can by the

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Government. In the sum mentioned are included police, police officers, Quebec and Montreal, \$14,555; reformatories in Montreal and Sherbrooke, \$40,000, being \$6,300 less than last year, and inspection of public offices, salaries, travelling expenses, etc., \$7,600, being \$2,600 increase caused by the appointment of an extra officer under the Act of last session.

## PUBLIC INSTRUCTION.

Superior education proper.....	\$71,000
High schools, Quebec and Montreal.....	2,470
Compensation to R. C. Institutions.....	4,940
<b>Common schools grant.....</b>	<b>\$78,410</b>
Schools in poor municipalities.....	155,000
Normal schools.....	4,000
Inspection of schools.....	42,000
Superannuated teachers.....	28,745
Books for prizes.....	8,000
Schools for deaf and dumb.....	4,500
Council of Public Instruction.....	12,000
To balance of cost of exhibition, Paris and Provincial exhibition.....	1,500
Polytechnic school, Montreal.....	700
Towards publication <i>Journal of Public Instruction</i> , English.....	1,000
Towards publication <i>Journal of Public Instruction</i> , French.....	500
	<b>\$338,855</b>

These items do not require much comment. I am sorry that I could not see my way clear to add something to the usual grant for common schools, and the question has been mooted to me by certain parties, whether it would not be better to deduct from the Literary and Scientific institutions the amount of their grants and add it to common schools. I have not done this, hoping that in the future we may be able to increase the grant to the latter without abridging the grant to the others. Included, therefore, under the general heading of public instruction, I put for Arts and manufacturers \$10,000, and for Literary and Scientific institutions, as before, \$12,560, making under the head of public instruction \$359,415.

The next general heading is Agriculture, Immigration and repatriation and colonization. The usual grant to Agricultural societies is already voted, \$50,000; the sum in aid of the Journal of Agriculture, Council of Agriculture, Agricultural and Veterinary schools, and sundry other items in the estimates, amounting to \$22,400, for Agricultural objects, do not require special notice, being pretty much the grants heretofore made. This year has been placed under 89 Vic., cap. 5, \$7,000 as aid to beet sugar factory already voted, and aid toward erection of permanent buildings at Montreal for exposition purposes, \$10,000. This latter grant was represented as being absolutely required if we would be ready to receive articles from foreign countries, and it was also represented that the Corporation and

citizens of Montreal would contribute two-thirds of the cost of such extra buildings, and I thought we could do no less than contribute the remaining third (hear hear). This makes the total grant for agricultural purposes \$89,400. For immigration—repatriation, the same amount as last year, \$10,000. For colonization purposes:—

Colonization roads, generally .....	\$50,000
Colonization roads, Ottawa Valley .....	5,000
Colonization roads, Quebec and Lake St. John .....	5,000
Colonization societies, 43 and 44 Vic., cap 18 .....	5,000
	<hr/> \$65,000

It will be observed that in the supplementary estimates for the current year, an extra grant for colonization roads is asked for to pay for works partly finished and which in effect increases the appropriation made to \$76,640. There is no need for me to urge upon hon. members the importance of these objects. All agree that every encouragement which the finances of the Province will permit should be given to these objects of paramount importance to our prosperity. I do not feel warranted at present in placing a larger amount without embarrassing the Treasury too much. Our farmers will have to use every effort to compete with our western prairie lands in the raising of stock for the European market, which forms so large a part of our agricultural exports at present. We have an advantage over them in the item of freights, and I have every confidence that with the proper cultivation of our lands, a proper rotation of crops such as prevails in the old countries of Europe, and the application of artificial manures, which can be procured at less cost here than there, we can hold our own with any part of the Dominion. With our fertile soil, adapted especially to the breeding of cattle, the manufacture of butter and cheese, and, I am convinced, to the profitable manufacture of sugar, with the impetus given to manufactures of other kinds, we need not fear that the Province of Quebec will not advance with equal rapidity to any Province in the Dominion. (Cheers.) I now come to

#### PUBLIC WORKS AND BUILDINGS.

Rents, insurance, repairs of public buildings generally .....	\$30,000
Spencer Wood, repairs .....	4,000
do. maintenance .....	5,000
Inspections and surveys .....	3,000
Public departments to complete (level grounds, &c.) .....	18,000
House for gaoler of Gaspé gaol, chargeable to Building and Jury funds .....	2,000
Repairs of Court House and Gaols .....	15,000
Rents do. do. ....	1,407
Insurance do. do. ....	300
	<hr/> \$78,707

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#### CHARITIES.

Lunatic Asylums—Beauport, St. Jean de Dieu and St. Frederick d' Halifax ..	\$222,920
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This estimate is based on the actual number of these unfortunates in the asylums mentioned. I do not expect much, if any saving to be made here. The miscellaneous charities amount to \$50,430. Hon. members are aware that application has been made in many cases to increase some of these grants, but it was not possible to do this at present; and I may remark that I had thought of a reduction in some cases, but finally concluded to allow the former list to stand as it was for the next year.

Reformatory Schools—for girls.....	\$ 6,600
Industrial Schools—for girls.....	8,400
Making on the whole under this head.....	288,350
Miscellaneous, generally I have put at.....	20,000
Pension fund contribution.....	1,500
The next item is	

#### COLLECTION, MANAGEMENT AND OTHER CHARGES ON REVENUE.

Municipalities Fund C. S. L. C.....	\$ 4,000
Registration service.....	41,960
Surveys.....	35,000
General Expenditure.....	50,766
These three last items are some \$5,500 less than last year.	
For Quebec Official Gazette.....	\$15,500
Stamps, licenses, etc.....	10,000
Special police for revenue purposes.....	6,000
Making total charges on revenue of.....	\$163,226

With respect to the item for Revenue Police, it is the intention of the Government to organize a small police force for the purpose of trying to prevent infractions, particularly of the licence law. (Hear, hear.) Those who pay for licenses complain, with a certain amount of reason, that their trade is injured by so many selling intoxicating liquors without being licensed, and that the Government should take more stringent measures than heretofore to stop the illicit traffic. Perhaps there is some truth in this pretension, but the licensed dealers do not take such steps to protect themselves as they might, and would rather throw the expense on the Government. There is, however, another reason besides the protection of licensed parties which is that a good deal of the misery and crime found in the country grows directly or indirectly from these places where liquors are sold without being licensed. It is the duty of the Government to endeavor to put a stop to crime as much as possible; and it is hoped the police force referred to will have this effect. At all events, it was thought worth while to try what such a police could do in stopping the illicit sale of liquors and the diminution of offences against our law by such places, particularly in large cities and towns. I am in hope the increased cost will be principally, if not wholly, paid by the penalties imposed in consequence of the information derived from the police specially assigned to this work.

These items of expenditure amount in the aggregate to the sum of \$278,958.



## DOMINION GOVERNMENT.

Last year I alluded to our relations with the Dominion Government, and referred to the large expense connected with the administration of justice, entailed upon the province under the system in operation since confederation, and expressed the conviction that the Dominion Government should bear a larger portion of such cost than is now paid by it. I am still of the opinion that, when this question is examined into, it will be found that we have a large claim upon the Dominion for monies heretofore expended for the arrest, trial, conviction and maintenance of offenders against Dominion statutes. On this point we have not received any satisfaction from the Dominion Government. Sooner or later this question must be dealt with and, from the best information I have been able to command, I conceive that our pretensions as to compensation for justice expenses are well founded and that the Dominion will have to assume a large proportion of our criminal charges and reimburse us and the other Provinces for monies paid on Dominion account. The Government intends to bring this question again before the Dominion authorities. (Hear, hear).

I alluded also to the claim the Province had upon the Dominion for reimbursement of the interest paid by the province upon Quebec's share of the surplus debt of the late Province of Canada over the sixty-two and a half millions of dollars placed upon the Dominion by the Confederation Act. The \$500,000 which was formerly paid us was not out of the fund in question, but on general account between us and the Dominion. The law officers of the crown are of opinion that we are justly entitled to the interest kept back by the Dominion from July, 1867, to July, 1873, from the province under Dominion legislation, and we fully expected, and had reason to expect, that our claim would be allowed. The Dominion Government, however, for one reason or another, are not disposed to allow our demand and decline to entertain it. So satisfied are we, nevertheless, of the equity of our demands, that, were it expedient or judicious to submit it to the decision of our courts of law, the result would, I am inclined to think, be favorable to us.

I mentioned also last year, the demand the Government of Quebec had made for justice to the Province by the Dominion with respect to our Provincial Railway. There can be no question that our sister province of Ontario has received subsidies from the Dominion Government towards railway construction, at the expense of the other provinces, which have not been accorded this Province (hear, hear.) In this respect we have not received equal justice from the Dominion Government, and we are not disposed to let the matter rest in its present unsatisfactory position. It will

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he recollected that the Hon. Mr. Mackenzie, the Premier of the Dominion Government answered to a deputation who applied for the same aid to the Quebec Railway Extension as was given to Ontario Railways, that this Province should and would receive Dominion assistance towards her railways, which promise so made has as yet been overlooked or evaded, to our manifest injury, although no good reason has been assigned for such neglect. The Dominion Government, it is only fair to say, were fully occupied in the initiation of the Pacific Railway scheme, and in carrying into effect the legislation required to complete the arrangements made with the Syndicate for the prosecution of that great enterprise. We could not therefore press our claims for consideration towards our railway with that persistence, which might have been done under other circumstances; we do not, however, consider these questions as finally closed but intend re-opening them at some future time and hope that a gentle pressure firmly applied will convince the Dominion authorities of the reasonableness and justice of our claim. I am therefore obliged to acknowledge that with respect to these claims our efforts have not been crowned with the success which they deserved, but we will endeavour to urge them again and in the meantime to use an expression familiar in the House we "report progress and ask leave to sit again." (Hear, hear.)

I now pass, Mr. Speaker, to the subject of the French loan authorized at the last session of this House. It will be in the recollection of hon. members that the bill authorizing this loan was, from one cause or another, delayed in its passage through the Legislature, the rate of exchange in the meantime becoming less favorable for the transmission of funds from Europe to this country. The net proceeds of the loan received in Quebec, after deducting cost of exchange, &c., amounted to \$3,772,717.23, exclusive of some interest, \$5,454.81, which accrued on funds in Paris, the state of the exchange market not permitting us to draw unless at a considerable sacrifice. The interest received is duly entered in interest account for the current year, though it might with propriety have been added to the receipts from the loan. We have disposed of the proceeds of the loan as follows:

To pay New York loan made by the late Government, exclusive of interest thereon .....	\$500,000 00
To repay consolidated revenue fund for monies heretofore paid towards railways—in fact a loan to the consolidated railway fund.....	332,631 63
To pay loan to Bank of Montreal made by the late Government, exclusive of interest.....	270,000 00
To payment of debts contracted for railway purposes before the loan was effected .....	786,683 11
Paid towards contractor of the Q., M., O. & O. Railway .....	1,229,389 22
Paid subsidies to other railways.....	216,466 40
Making a total of.....	\$3,335,170 36

The details of these various payments I did not think it worth while to give the House; they more properly belong to the current year. But I thought it only proper to inform the hon. members of the disposition made of the proceeds of the loan as far as they have been expended. It will be observed in this connection, that out of the proceeds of the loan the large amount of \$1,556,683.11 was paid out in liquidation of claims against the Government, contracted before the loan was effected for railway purposes, and which were bearing interest to banks and private parties; and the amount advanced out of the consolidated revenue for railway purposes upon which interest was also payable by the Government brings the amount of debts paid out of the loan to \$1,889,314.74. I am quite aware that exception will be taken to the net proceeds of the loan being smaller than expected; but it will be borne in mind that the Government was not responsible for the rate of exchange, and could not control it, nor for the fact that when the loan became public it had a tendency to raise the rate of exchange against us. I may further say that I consulted with several of our most eminent bankers, and was guided by their advice in the matter, the exchange was effected on the best terms the market would permit at the time.

#### THE PROVINCIAL POSITION.

I do not know what some parties may have expected as the result of the last and present year's operations. I have heard that the deficits of the several previous years should be removed in one year's operations, that unless this is done the Province is going to ruin. Now, if I succeed in reducing the deficit during the current year, and this I fully expect to be able to do, and if this is followed for a few years, the receipts being kept up to the usual standard, and expenditure kept down to a proper limit, we shall soon come round to the former state of things, when our receipts will exceed our expenditure. (Cheers.) It would be easy enough for the Legislation to place increased taxation on the people sufficient to place our receipts over our expenditure, and if there was not a prospect of accomplishing the same desirable end gradually, without increasing the burden of taxation, recourse must be had to this plan of operations, but I am inclined to think that the better way is not to materially increase our taxation at once, but to utilize our present revenue, see to its prompt collection, allowing as few arrears to accumulate as possible and thus gradually bring our finances into a healthy condition. (Hear, hear.) One thing is clear and that is, whenever the receipts of a government are larger than actually required for public uses, there is a strong temptation to expend money for one purpose or another, and pressure is continually brought to bear on the executive for money for this or that object,

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possibly for works and schemes, good enough in themselves but pertaining more to private enterprise than to Government interference. But when the receipts are made with difficulty to cover the expenditure, such contributions are of course impossible, and the objects for which they are desired, if of real importance, are taken up by private enterprise and if of pure speculation are abandoned. There are large amounts due the Government on the municipal loan fund, upon timber limits, upon lands sold for agricultural purposes which must now be collected. While the hard times pressed upon every department of industry amongst us, and it was difficult for our people to make the two ends of the year meet financially, it would in many cases have been cruel to enforce payment of amounts due to the Government under such circumstances; but as there is unquestionably a great improvement in every branch of industry lately, it is well it should be understood that the Government must take steps to collect their dues, and that those owing should make arrangements accordingly.

It is curious to notice the ways and means taken by many parties to evade payment of debts due the province and it would almost seem as if they considered it a mortal sin to pay any such debt, and, when obliged to do it, of course those instrumental in its collection are anything but well spoken of. On the other hand, if any services are rendered the Government for work done in the usual way, it is wonderful how valuable these are made to appear on the principle in common use by many — because it is the Government, they may charge what they please for services, and pay nothing due which can be evaded. The sooner the Government is carried on with respect to dealings with outside parties on commercial principles, the better for our finances and better for public morality; though I fancy every Government has experienced the difficulty in carrying this out in all cases.

In the meantime I consider it would be very unwise, imprudent and impolitic to further increase our debt for even railway purposes, important as they may be. Until we are in receipt of actual cash receipts to meet the interest and sinking fund upon our railway debt, we must forbear granting any further aid in the way of building or subsidizing railways beyond the obligations already incurred in that direction. We have already far exceeded what one time the Legislature considered prudent to expend on railways, and I am sure the people of the province will not sanction any further expenditure for railway purposes at the present time, or be willing to run the risk of increased taxation for such objects until we are relieved of some of the obligations already incurred. (Hear, hear.)

This feeling of opposition to further railway grants is so well known and understood that even railway projectors, not at all characterized as troubled with over modesty in their demands for provincial aid, have

almost ceased their demands for cash subsidies, but they say their desire is for promoting the public welfare, the fostering of colonization, the encouragement of agriculture, and affording homes for thousands who are ready to establish themselves on the lines of their respective railways when built. This plea forms the introduction to the modest demand for 10,000 or even 20,000 acres land per mile of railway by these disinterested, patriotic railway projectors, as if our public domain were comparatively worthless to the province, but of great value to them in the way of affording a basis for borrowing money for the building of their railways, in which, in many cases they will not risk their own money, if they have any to risk. (Hear, hear.)

Mr. Speaker, we do not yet appreciate at anything like its true value our public domain for lumbering and agricultural purposes. In a few years the woods which we consider at present worthless, or next to worthless, will bring higher prices in the European and American markets, where the scarcity of building timber has already been felt. There has lately been begun the exportation of small timber to the United States on a large scale by the Railways adjoining the frontier, which only a few years ago was reckoned perfectly worthless; and every acre of land held by the Government, when it can be reached with facility, is worth from three to ten times the price put upon it by the Government for purely agricultural purposes. In a few years, when the lands near the frontiers are stripped of their timber, small as well as large, the lands more remote, and which are now wanted for railway purposes, will become of immense value to the province.

We should then consider a grant of land for railway purposes as more onerous for the Province than a money grant. And in no case should land grants be made for railway purposes, unless it is made perfectly clear that those desiring such aid have invested their own funds largely in the scheme as a proof of their confidence in the undertaking, and require only a small land grant to insure the success of an enterprise worthy in itself and deserving of public assistance. This will not be very pleasant to some hon. members, but I consider that too great care cannot be exercised in alienating our public lands to any railway until the previous conditions I have mentioned, and the necessity of the scheme itself be first established beyond a doubt.

What then is the position of our Province. We have on the one hand a large debt due for the construction of railways. We have on the other hand the Government railway nearly completed; we have several of the railways subsidized by the Government already finished and in operation, and others approaching completion, and these railways traversing a large part of our Province, afford communication to our commercial centres

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which formerly did not exist. Our debt, with the present receipts from the Government railway, presses heavily on the public treasury for interest and the expenditure required for the public affairs of the Province; and these demands have rendered it difficult in the meantime, without temporary loans, to carry on the public business and keep up our foreign credit. At the same time our people have not been burdened with taxation for the public service to as large an extent as in the other Provinces, notably for the administration of justice.

On the other hand, we have permanent and substantial public works to show for our expenditure; we have our railways, our colonization road, our departmental buildings, which will require little further outlay, nothing like what has been expended heretofore, and these railways and roads must necessarily do much to open our country for settlement, bring it before those in Europe who desire to establish themselves in a new country, and prevent our present population from seeking to better their position by going to the United States. Our railways traversing the Province will induce the establishment of manufactures of various kinds in places hitherto inaccessible for the introduction of the raw material required and for the exportation of the articles which might be manufactured, thus affording employment to our labourers and artisans and keeping them in the country. (Hear, hear.)

Our school system is working well and affords opportunity for the instruction of our youth in the common schools and academies of the country, and in the higher grades of education our colleges and universities afford means of instruction in theology, arts, law, medicine and technical education, second to none other in any country whatever. The facilities for communication with the countries of Europe are daily increasing, and trade with these countries is daily augmenting. Steam communication is being opened up with countries which had but little intercourse with Canada heretofore. The new line of steamers from France I look to as opening up an interchange of products which cannot fail to benefit both countries, and in the establishment of which I am proud to say the Quebec Government took an active and prominent part.

Our mining facilities are as yet only beginning to be known, and bid fair to prove of immense advantage to our people, and the Government is determined to do all in its power to encourage the development of our mining resources to the utmost extent. Already the attention of capitalists is directed to the working of our mines, and demands from other countries are daily coming in for the proceeds these mines. Our gold and silver mines in the Chaudiere division are being explored and worked, and as these explorations go on I believe the result will be the introduction of capital and men beyond what we now have any idea of.



Our asbestos is eagerly enquired after, and large shipments to the United States and Europe will take place immediately. Our phosphates are exceedingly valuable, and when their true value is appreciated, will introduce a trade for agricultural purposes in Europe and this country which will in Canada, at least, revolutionize our agricultural operations, and vastly increase our farming products. Our copper deposits are being now worked to advantage, and the facilities afforded by those railways built with Government aid will more and more develop this interest, affording work for our people to an extent far beyond what has heretofore been the case. Our deposits of iron are being looked after by foreign capitalists, and I have strong hopes that we will soon see several iron mines worked with advantage to the proprietors and the province generally. Many other valuable minerals are being discovered in our province, and it is not saying too much to say that in a short time we may expect to have our province largely employed in these mines to such an extent as would attract a large population to our borders and prove a source of immense advantage to our country. I do not intend to go over the items alluded to in the Speech from the Throne, but I may be allowed to say that a comparison of the former state of things when the Confederation Act came into force with the actual state of things as they now are in our province must convince any attentive observer of the great improvement which has taken place in these few years past. Look at the improvement in agriculture, the improvement in manufactures, the change in the mode of transit on our numerous railways, the improvement in our educational system and the progress in education, and the enterprise manifested in the development of our mineral resources, and no one can fail to notice that we have progressed rapidly in these respects, and in many others which time will not allow me to allude to.

#### QUEBEC RAILWAYS.

I give, Mr. Speaker, a short statement of the railways built in the province by Government assistance in whole or in part. Honorable members, knowing the different counties traversed by these railways, will see to what extent the province has been opened up, and be able, in the case of the subsidized railways, to see how much capital must have been expended beyond the Government aid. There is not a man in the country to-day who, if he had his choice, would say that he would not prefer paying extra taxation to paying interest and sinking fund on the railway debt, than having no railways and no taxation.

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The following are some of the railways referred to:—

	Miles built.	Paid by Government.	Miles to be completed.
Levis & Kennebec.....	43½	\$217,500	46½
St. Francis & International.....	66	368,730	14
Quebec Central.....	160	473,750	completed.
South Eastern (division north).....	140	497,007	do.
Montreal, Portland & Boston.....	47½	179,582	8.
Waterloo & Magog.....	22½	86,450	20½
Missisquoi & Black River Valley.....	10½	43,842	45 1/10
St. Lawrence & Champlain Junction.....	62 5/10	250,280	37 3/10
Quebec & Lake St. John's.....	20	137,651	130
Laurentian.....	15	60,000	completed.
Frontier Railway for surveys.....	..	6,027	
St. Jerome branches for surveys.....	..	3,150	
Bale de Chaleurs.....	..	12,840	
Making so far paid out in subsidies.....		\$2,336,811	

This shows about 527½ miles completed of railways subsidized by the Government and in operation daily in the several counties traversed by them, and by estimate about 300 miles to be built of roads partly completed and which have a claim for Government aid under the acts of the Legislature. These roads built and partly built must have cost about \$14,000 to \$18,000 per mile for construction, rolling stock, &c., so that in fact the Government actually furnished a very small proportion of the cost of these roads. Then we have the Government railway and branches which have cost the province about \$12,000,000, almost completed, the main line between Quebec and Montreal being 170, and from St. Martin Junction to Aylmer 113 miles, and for the Piles and St. Jerome branches, forming a total of 330 miles. In all, within ten years there have been built 857 miles of railway, more or less, equipped with stations, siding, rolling stock, machine shops, &c. If any one at confederation had predicted that such length of railway would have been built by this time, he would have been considered a candidate for admission to a lunatic asylum. But there the roads are to show for themselves, plain, palpable facts which nobody can deny.

#### CONCLUDING REMARKS.

And now, Mr. Speaker, I have almost done with my remarks. I have not attempted the use of any high-flown language, nor attempted to make things appear other than they really are; I have stated what I believe to be our true position; I had nothing to conceal or cover over or keep back; and though there are many details which I had not time to refer to, I hope I have been sufficiently clear, so that hon. members may understand our real situation. (Hear, hear.) It is for the House to decide as to what has been done heretofore, and what course should be followed in the future.

I have confidence that, though we may have some difficulty for a few years in reducing our expenditure within the limits of our receipts, for reasons connected with railway expenditure to which I have already alluded, at the same time there is no cause for alarm at our financial position. Our assets are very valuable and becoming more and more valuable every day. If the Government firmly resist making any addition to our funded debt, exercise due diligence in the realization of our assets and collection of arrears due and practise strict economy in our expenditure, we shall in a few years, without much additional taxation, be able to fully meet the requirements of every branch of the public service. If any Government fail in its duty to the province by increasing our funded debt, by wasteful grants of our Crown lands for purposes not absolutely necessary, and which will give certain returns, if it is negligent in the protection of our sources of revenue, careless in its collection, or extravagant in its expenditure, then it becomes the duty of the people, through their representatives to take immediate steps to oust such a Government and replace it by one that can and will fully guard our provincial interests, resist all pressure from friends or foes, calculated to involve the Province in future embarrassments.

I feel, Mr. Speaker, that I have probably not come up to the expectation of hon. members in what I have said, or in the manner of saying it, but all the same I thank you, Mr. Speaker and the members of this House, for your attention to my remarks, and only regret I have detained you so long. (Loud cheers.)

At the conclusion of his speech Hon. Mr. Robertson said that \$500,000 would be granted to the Pontiac Railway at the rate of \$6,000 per mile, as defined by the statute now in force.

At the conclusion of the budget speech the House adjourned.

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